

First Half 2017: Strong Growth in Orders, Revenues and Earnings

- Revenues: €138.5 million (+8%)*
- Income from operations: €18.5 million (+13%)*
- Net income: €12.7 million (+20%)
- Free cash flow: €16.3 million
- Net cash: €81.1 million

* Like-for-like

In millions of euros	April 1 – June 30		January 1 – June 30	
	2017	2016	2017	2016
Revenues	69.0	64.1	138.5	126.3
<i>Change like-for-like (%)⁽¹⁾</i>	+7%		+8%	
Income from operations	9.1	8.1	18.5	15.4
<i>Change like-for-like (%)⁽¹⁾</i>	+8%		+13%	
Operating margin (in % of revenues)	13.2%	12.6%	13.3%	12.2%
Net income	6.2	5.5	12.7	10.7
<i>Change at actual exchange rates (%)</i>	+13%		+20%	
Free cash flow	2.4	3.3	16.3	7.1
Shareholders' equity ⁽²⁾			134.4	132.6
Net cash ⁽²⁾			81.1	75.7

(1) Like-for-like: 2017 figures restated at 2016 exchange rates

(2) At June 30, 2017 and December 31, 2016

Paris, July 27, 2017. Today, Lectra's Board of Directors, chaired by André Harari, reviewed the consolidated financial statements for the first half of 2017, after a limited review by the Statutory Auditors.

Detailed comparisons between 2017 and 2016 are based on 2016 exchange rates ("like-for-like") unless stated otherwise.

Q2 2017

Orders for new systems (€32 million) increased by 4% compared to Q2 2016.

Revenues (€69 million) are up 7% (+8% at actual exchange rates).

Income from operations amounted to €9.1 million, up 8% (+13% at actual exchange rates) and the operating margin to 13.2%, increasing by 0.1 percentage points (+0.6 percentage points at actual exchange rates).

Net income amounted to €6.2 million, up €0.7 million (+13%) at actual exchange rates

First Half 2017

Financial results in line with the company roadmap

Orders for new systems (€64.3 million) are up 12% relative to H1 2016: +14% for new software licenses and for CAD/CAM equipment, -1% for training and consulting.



Revenues totaled €138.5 million, up 8% (+10% at actual exchange rates). Revenues from new systems sales (€60.9 million) increased by 10%, and recurring revenues (€77.7 million) by 7%.

Income from operations (€18.5 million) increased by €1.9 million (+13%) like-for-like and €3 million (+20%) at actual exchange rates.

The operating margin (13.3%) was up 0.5 percentage points like-for-like and 1.1 percentage points at actual exchange rates.

Net income amounted to €12.7 million, up 20% at actual exchange rates.

Particularly high free cash flow – A zero-debt company, a very strong balance sheet

Free cash flow amounted to €16.3 million, up €9.1 million compared to H1 2016.

At June 30, 2017, consolidated shareholders' equity amounted to €134.4 million, after payment of the dividend of €11 million (€0.35 per share) declared in respect of FY 2016.

Cash and cash equivalents and net cash position totaled €81.1 million.

Disposal by André Harari of his stake in Lectra and appointment of Daniel Harari to the position of Chairman and CEO

André Harari sold, on June 14, 2017, his entire stake in Lectra, through a share placement by way of an accelerated book building to institutional investors and resigned from his position as Chairman of the Board of Directors and as Director, with effect from the end of today's Board of Directors' meeting.

The transaction was part of the transition of the Chairmanship of the Board, assumed by André Harari since 2002, to Daniel Harari, CEO of the Company since that date.

After warmly thanking André Harari for the role he has played in the Company since 1976, the Board of Directors decided to combine the offices of Chairman of the Board of Directors with that of Chief Executive Officer, appointing Daniel Harari to the position of Chairman and CEO.

2017 Outlook

In its February 9, 2017 financial report and its 2016 annual report, to which readers are invited to refer, the Company reported its long term vision, its new strategic roadmap for 2017-2019 and its 2017 business trends and outlook.

Lectra entered 2017 with stronger than ever operating fundamentals and an even stronger balance sheet.

Persistent macroeconomic, geopolitical, political and currency uncertainties, together with increased risk, are liable to continue to weigh heavily on businesses' investment decisions.

In these conditions, the Company is targeting 6% to 12% revenue growth for 2017, and 7% to 15% growth in income from operations before non-recurring items, like-for-like.

In view of its first-half business activity and financial results, the Company remains confident of achieving this objective.

Bolstered by the strength of its business model and a new roadmap fully geared to the demands of Industry 4.0, the Company remains confident in its growth prospects for the medium term.



Q3 and first nine months 2017 earnings will be published on October 30, 2017.

The Management Discussion and Analysis of Financial Conditions and Results of Operations and the financial statements for H1 2017 are available on lectra.com.

With 1,600 employees worldwide, Lectra is the world leader in integrated technology solutions – software, automated cutting equipment, and associated services – specifically designed for industries using fabrics, leather, technical textiles, and composite materials to manufacture their products.

Lectra serves major global markets: fashion and apparel, automotive (car seats and interiors, airbags), and furniture as well as a broad array of other industries (aeronautics, marine, wind power, etc.).

Lectra (code ISIN FR0000065484) is listed on Euronext (compartment B).

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